

By: Senator(s) Bryan

To: Finance

SENATE BILL NO. 2702

1 AN ACT TO AUTHORIZE THE BOARD OF TRUSTEES OF SCHOOL DISTRICTS
2 LOCATED IN THE COUNTIES THAT COMPRISE THE THREE RIVERS PLANNING
3 AND DEVELOPMENT DISTRICT TO PLEDGE A PORTION OF THE NEW AD VALOREM
4 TAX REVENUE FROM ANY INCREASE IN THE ASSESSED VALUE OF PROPERTY AS
5 A RESULT OF A NEW ENTERPRISE THAT IS GRANTED AN AD VALOREM TAX
6 EXEMPTION UNDER SECTION 27-31-101; TO PROVIDE THAT THE PURPOSE OF
7 THE PLEDGE SHALL BE TO REIMBURSE LOCAL GOVERNMENTS FOR COSTS
8 RELATED TO THE LOCATION OF A NEW ENTERPRISE; TO PROVIDE THAT THE
9 BOARD OF TRUSTEES OF THE SCHOOL DISTRICT MAY PLEDGE NOT MORE THAN
10 40% OF THE ANNUAL INCREASE IN AD VALOREM TAX REVENUE THAT IT
11 RECEIVES AS A RESULT OF ANY INCREASE IN THE ASSESSED VALUE; TO
12 PROVIDE THAT THE PLEDGE OF REVENUE SHALL BE EFFECTIVE UNTIL THE
13 LOCAL GOVERNMENTS ARE FULLY REIMBURSED FOR THE APPROVED COST OF
14 THE PROJECT BUT IN NO EVENT LONGER THAN THE DURATION OF THE TAX
15 EXEMPTION FOR THE NEW ENTERPRISE; TO PROVIDE THAT THE PLEDGE SHALL
16 BE IRREVOCABLE; AND FOR RELATED PURPOSES.

17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

18 **SECTION 1.** (1) As used in this section:

19 (a) "Approved cost" means an itemized breakdown of the
20 local government costs related to the location of a new enterprise
21 as approved by the board of trustees of the participating school
22 district and the governing body of the local governments involved.

23 (b) "Local government" means county boards of
24 supervisors and municipal authorities that are authorized to grant
25 a tax exemption under Section 27-31-101.



26 (c) "Project" means a new enterprise enumerated in
27 Section 27-31-101 with a capital investment of more than Ten
28 Million Dollars (\$10,000,000.00) and less than One Hundred Million
29 Dollars (\$100,000,000.00).

30 (d) "School district" means any public school district
31 located in the counties that comprise the Three Rivers Planning
32 and Development District.

33 (2) For the purposes authorized in this section, the board
34 of trustees of any school district may pledge a portion of the new
35 ad valorem tax revenue from any increase in the assessed value of
36 property as a result of a project that is granted an ad valorem
37 tax exemption under Section 27-31-101.

38 (3) The county tax assessor shall certify the assessed value
39 of the real and personal property located on the project site
40 prior to the initiation of the new enterprise project. Property
41 taxable at the time of the certification shall be included in the
42 assessed value at its most recently determined valuation. Each
43 year after the completion of the project, the county tax assessor
44 shall certify the amount by which the assessed value of the real
45 property on which the project is located, including personal
46 property located on the real property, has increased or decreased
47 from the original assessed value.

48 (4) The board of trustees of the school district may pledge
49 not more than forty percent (40%) of the annual increase in ad
50 valorem tax revenue that it receives as a result of any increase



51 in the assessed value of the real and personal property located on
52 the project site to reimburse local governments for approved
53 costs.

54 (5) The pledge of revenue authorized by this section shall
55 be effective until the local governments are fully reimbursed for
56 the approved cost of the project but in no event shall the pledge
57 be longer than the duration of the tax exemption for the new
58 enterprise that is granted under Section 27-31-101. A pledge made
59 under this section shall be irrevocable.

60 (6) The school district shall annually pay the amount of the
61 pledge to the local governments. The funds received by the local
62 governments shall be utilized to reimburse approved costs.

63 **SECTION 2.** This act shall take effect and be in force from
64 and after July 1, 2018.

